

MEETING OF THE BOARD OF DIRECTORS  
OF  
CHERRYLAND ELECTRIC COOPERATIVE

December 18, 2023

---

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on December 18, 2023.

Meeting was called to order at 9:00 a.m. by President Schweitzer.

Present: David Schweitzer, President  
Gabe Schneider, Sr. Vice President  
Valarie Handy, Secretary  
Thomas Van Pelt, Treasurer  
Terry Lautner  
Melinda Lautner  
Dean Adams  
Rachel Johnson, CEO  
Shannon Beery, Assistant Secretary

Mr. Mark Wilson, CFO; Mr. Frank Siepker, COO; Ms. Deidra Charnes, Director of Human Resources; Ms. Courtney Doyle, Communications & Member Relations Manager; Mr. Greg Jenkins, General Counsel (attended remotely via Teams); Mr. Steve Weaver, Cybersecurity & Advanced Networking Administrator; Mr. Chris Vermeulen, Engineering & IT Manager; Mr. Brad Pavwoski, Controller; Mr. Jason Rice, Metering Supervisor; and Ms. Dawn Garrock, Employee Engagement Specialist, joined the meeting.

The election of a new Board Assistant Secretary was discussed. Motion by Ms. Handy, supported by Mr. Schneider, and carried to approve Ms. Shannon Beery as Board Assistant Secretary.

President Schweitzer reviewed the board agenda. Motion by Ms. Lautner, supported by Ms. Handy, and carried to approve the agenda, as presented.

Rick Robbins did not attend, as planned, for public input. No other members were present for public input.

The November Safety Report was discussed. It was announced that the Cherryland team has reached one year without an OSHA-reportable incident.

The November meeting minutes were discussed. Motion by Mr. Van Pelt, supported by Mr. Lautner, and carried to approve the minutes of the regular board meeting held on November 27, 2023.

Mr. Weaver, Cybersecurity & Advanced Networking Administrator, gave a special presentation on the Cooperative's Cyber Security Response Plan and answered questions from the board regarding same.

Ms. Doyle, Communications & Member Relations Manager, presented an overview of the Low Income Home Repair Grant Program, in which the Cooperative partners with area housing agencies to benefit members with flexible funding for home repairs.

Mr. Siepker, COO, presented a proposed change to the Residential Auxiliary Service Extension tariff to accommodate a rule of consistency across Cherryland's service territory. The board discussed the proposed change and Mr. Siepker answered questions.

Managers' reports were reviewed and discussed.

The board recessed for a break at 10:42 a.m. and reconvened at 10:51 a.m.

Old business was discussed.

Mr. Rice, Metering Supervisor, presented an update of the 2024 Power Supply Cost Recovery base rate adjustment. The proposed changes reflect a slight decrease in the base rate for 2024. After discussion, the board approved the change to the base rate, as presented. Motion by Mr. Schneider, supported by Ms. Handy, and carried to approve the 2024 Power Supply Cost Recovery base rate adjustment, effective January 1, 2024, as presented.

Mr. Wilson, CFO, provided a recap of the proposed 2024 Operating Budget, which was initially presented to the board in November. Mr. Wilson's presentation included a few amendments. The board discussed the 2024 Operating Budget, including the amendments, and agreed to approve same. Motion by Mr. Van Pelt, supported by Mr. Adams, and carried to approve the 2024 Operating Budget.

New business was discussed.

The board approved the proposed changes to the following rate book tariffs, effective January 1, 2024. Motion by Mr. Schneider, supported by Mr. Adams, and carried to approve the Residential Auxiliary Service Extension tariff. Motion by Ms. Handy, supported by Ms. Lautner, and carried to approve the 2024 Large Commercial & Industrial tariff.

The Retiree Welfare Benefits Trust was discussed. Mr. Wilson provided a brief update on behalf of the Retiree Welfare Benefits Trust Committee and requested a motion to transfer \$116,000 from the Trust into the Cooperative's General Fund to help cover the costs of benefits for Cherryland retirees. Motion by Mr. Van Pelt, supported by Mr. Schneider, and carried to approve the transfer of \$116,000 from the Trust into the Cooperative's General Fund.

The 2024 NRTC Annual Meeting voting delegate and alternate were needed. Motion by Ms. Lautner, supported by Mr. Van Pelt, and carried to approve Ms. Johnson as the 2024 NRTC Annual Meeting voting delegate, with Mr. Schweitzer as the alternate.

Wolverine Power Supply Cooperative matters were discussed.

Mr. Schneider provided an update on MECA. The ADHOC committee presented its findings and recommendations at the December board meeting without much discussion. For now, MECA and Wolverine will continue with their existing Unified Service Agreement, with more historical perspective requested.

The General Counsel report was discussed.

Upcoming meetings were discussed, including MECA/Wolverine-presented webinars for co-op boards and staff on the Michigan energy bills.

Cooperative advocacy issues were discussed.

At 12:13 p.m. the board entered Executive Session. Motion by Mr. Adams, supported by Mr. Van Pelt, and carried to enter Executive Session.

At 12:20 p.m. the board ended Executive Session by motion of Ms. Lautner, supported by Mr. Schneider, and carried to end Executive Session.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 12:21 p.m.

\_\_\_\_\_  
David Schweitzer, President

\_\_\_\_\_  
Valarie Handy, Secretary

We, the undersigned directors of the Cherryland Electric Cooperative, do hereby approve, ratify, and conform to all respects of the above and foregoing minutes of this regular meeting of the Board of Directors of said Cooperative and each and every step taken and performed thereat.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_